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AMENDED IN SENATE AUGUST 31, 1999

AMENDED IN SENATE JUNE 30, 1999

AMENDED IN ASSEMBLY MAY 6, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

ASSEMBLY BILL

No. 1555

Introduced by Assembly Member Longville

February 26, 1999

An act to amend Sections 56113, 56375, 57080, and 57087.3 of the Government Code, relating to local government organization.

LEGISLATIVE COUNSEL'S DIGEST

AB 1555, as amended, Longville. Local government.

(1) Under the Cortese-Knox Local Government Reorganization Act of 1985, the local agency formation commission in a county may approve the annexation of contiguous territory to a city without an election under specified conditions.

This bill would authorize the commission to approve without an election the annexation or reorganization of an unincorporated island or unincorporated islands within city limits under specified conditions depending on whether the proceeding is initiated on or after January 1, 2000, or January 1, 2007.

(2) Existing law governing the allocation of property tax revenues between local government entities requires the revision of those allocations upon a jurisdictional change. However, under specified conditions, the merger of a subsidiary district into a city is not subject to certain provisions of law concerning the revision of those allocations.

This bill would correct a cross-reference in this exception.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 56113 of the Government Code
2 is amended to read:

3 56113. (a) The authority to initiate, conduct, and
4 complete any proceeding pursuant to Section 56112 does
5 not apply to any territory which, after January 1, 2000,
6 became surrounded or substantially surrounded by the
7 city to which annexation is proposed. The authority to
8 initiate, conduct, and complete any proceeding pursuant
9 to Section 56112 shall expire January 1, 2007. The period
10 of time between January 1, 2000, and January 1, 2007, shall
11 not include any period of time during which, in an action
12 pending in any court, a local agency is enjoined from
13 conducting proceedings pursuant to Section 56112. Upon
14 final disposition of that case, the previously enjoined local
15 agency may initiate, conduct, and complete proceedings
16 pursuant to Section 56112 for the same period of time as
17 was remaining under that seven-year limit at the time the
18 injunction commenced. However, if the remaining time
19 is less than six months, that authority shall continue for six
20 months following final disposition of the action.

21 (b) Between January 1, 2000, and January 1, 2007, no
22 new proposal involving the same or substantially the
23 same territory as a proposal initiated pursuant to Section
24 56112 after January 1, 2000, shall be initiated for two years
25 after the date of adoption by the commission or by the
26 conducting authority of a resolution terminating
27 proceedings.



SEC. 2. Section 56375 of the Government Code is amended to read:

56375. The commission shall have all of the following powers and duties subject to any limitations upon its jurisdiction set forth in this part:

(a) To review and approve or disapprove with or without amendment, wholly, partially, or conditionally, proposals for changes of organization or reorganization. Effective July 1, 1994, the commission may initiate proposals for (1) consolidation of districts, as defined in Section 56036, (2) dissolution, (3) merger, or (4) establishment of a subsidiary district, or a reorganization that includes any of these changes of organization. A commission shall have the authority to initiate only a (1) consolidation of districts, (2) dissolution, (3) merger, (4) establishment of a subsidiary district, or (5) a reorganization that includes any of these changes of organization, if that change of organization or reorganization is consistent with a recommendation or conclusion of a study prepared pursuant to Section 56378 or 56425. However, a commission shall not have the power to disapprove an annexation to a city, initiated by resolution, of contiguous territory that the commission finds is any of the following:

(1) Surrounded or substantially surrounded by the city to which the annexation is proposed or by that city and a county boundary or the Pacific Ocean if the territory to be annexed is substantially developed or developing, is not prime agricultural land as defined in Section 56064, is designated for urban growth by the general plan of the annexing city, and is not within the sphere of influence of another city.

(2) Located within an urban service area that has been delineated and adopted by a commission, which is not prime agricultural land, as defined by Section 56064, and is designated for urban growth by the general plan of the annexing city.

(3) An annexation or reorganization of unincorporated islands meeting the requirements of subdivision (d).

1 As a condition to the annexation of an area that is
2 surrounded, or substantially surrounded, by the city to
3 which the annexation is proposed, the commission may
4 require, where consistent with the purposes of this
5 division, that the annexation include the entire island of
6 surrounded, or substantially surrounded, territory.

7 A commission shall not impose any conditions that
8 would directly regulate land use density or intensity,
9 property development, or subdivision requirements.
10 When the development purposes are not made known to
11 the annexing city, the annexation shall be reviewed on
12 the basis of the adopted plans and policies of the annexing
13 city or county. This paragraph does not prohibit a
14 commission from requiring, as a condition to annexation,
15 that a city prezone the territory to be annexed. However,
16 the commission shall not specify how, or in what manner,
17 the territory shall be zoned.

18 (b) With regard to a proposal for annexation or
19 detachment of territory to, or from, a city or district or
20 with regard to a proposal for reorganization that includes
21 annexation or detachment, to determine whether
22 territory proposed for annexation or detachment, as
23 described in its resolution approving the annexation,
24 detachment, or reorganization, is inhabited or
25 uninhabited.

26 (c) With regard to a proposal for consolidation of two
27 or more cities or districts, to determine which city or
28 district shall be the consolidated, successor city or district.

29 (d) To approve the annexation to a city after notice
30 and hearing, and authorize the conducting authority to
31 order annexation of the territory without an election, or
32 waive the conducting authority proceedings if the
33 annexation meets the requirements of this subdivision
34 and is proposed by resolution adopted by the affected
35 city, if the commission finds that the territory contained
36 in an annexation proposal meets all of the following
37 requirements:

38 (1) It does not exceed 75 acres in area, that area
39 constitutes the entire island, and that island does not
40 constitute a part of an unincorporated area that is more

1 than 100 acres in area. ~~This requirement shall only apply~~
2 ~~in counties of the 20th to 58th class, inclusive, as defined~~
3 ~~in Section 28020, and shall not apply to counties of the first~~
4 ~~to 19th class, inclusive, as defined in that section.~~

5 (2) The territory constitutes an entire unincorporated
6 island located within the limits of a city, or constitutes a
7 reorganization containing a number of individual
8 unincorporated islands.

9 (3) It is surrounded in either of the following ways:

10 (A) Surrounded, or substantially surrounded, by the
11 city to which annexation is proposed or by the city and a
12 county boundary or the Pacific Ocean.

13 (B) Surrounded by the city to which annexation is
14 proposed and adjacent cities.

15 (C) This subdivision shall not be construed to apply to
16 any unincorporated island within a city that is a gated
17 community where services are currently provided by a
18 community services district.

19 (D) Notwithstanding any other provision of law, at the
20 option of either the city or the county, a separate property
21 tax transfer agreement may be agreed to between a city
22 and a county pursuant to Section 99 of the Revenue and
23 Taxation Code regarding an annexation subject to this
24 subdivision without affecting any existing master tax
25 sharing agreement between the city and county.

26 (4) It is substantially developed or developing. The
27 finding required by this subparagraph shall be based
28 upon one or more factors, including, but not limited to,
29 any of the following factors:

30 (A) The availability of public utility services.

31 (B) The presence of public improvements.

32 (C) The presence of physical improvements upon the
33 parcel or parcels within the area.

34 (5) It is not prime agricultural land, as defined by
35 Section 56064.

36 (6) It will benefit from the annexation or is receiving
37 benefits from the annexing city.

38 Notwithstanding any other provision of this
39 subdivision, this subdivision shall not apply to all or any
40 part of that portion of the redevelopment project area

1 referenced in subdivision (e) of Section 33492.41 of the
2 Health and Safety Code that as of January 1, 2000, that
3 meets all of the following requirements: is
4 unincorporated territory; contains at least 100 acres; is
5 surrounded or substantially surrounded by incorporated
6 territory; and contains at least 100 acres zoned for
7 commercial or industrial uses or is designated on the
8 applicable county general plan for commercial or
9 industrial uses.

10 (e) To approve the annexation of unincorporated,
11 noncontiguous territory, subject to the limitations of
12 Section 56111, located in the same county as that in which
13 the city is located, and that is owned by a city and used for
14 municipal purposes and to authorize the conducting
15 authority to annex the territory without notice and
16 hearing.

17 (f) Subject to Section 56029, to designate in the
18 resolution making determinations the conducting
19 authority for proceedings.

20 (g) When a change of organization or a reorganization
21 includes the annexation of inhabited territory to a city
22 and the assessed value of land within the territory equals
23 one-half or more of the assessed value of land within the
24 city, or the number of registered voters residing within
25 the territory equals one-half or more of the number of
26 registered voters residing within the city, to determine as
27 a condition of the proposal that the change of
28 organization or reorganization shall also be subject to
29 confirmation by the voters in an election to be called,
30 held, and conducted within the territory of the city to
31 which annexation is proposed.

32 (h) With respect to the incorporation of a new city or
33 the formation of a new special district, to determine the
34 number of registered voters residing within the proposed
35 city or special district. The number of registered voters
36 shall be calculated as of the time of the last report of voter
37 registration by the county clerk to the Secretary of State
38 prior to the date the first signature was affixed to the
39 petition. The executive officer shall notify the petitioners

1 of the number of registered voters resulting from this
2 calculation.

3 (i) To adopt written procedures for the evaluation of
4 proposals. The commission may adopt standards for any
5 of the factors enumerated in Section 56841. Any standards
6 adopted by the commission shall be written.

7 (j) To adopt standards and procedures for the
8 evaluation of service plans submitted pursuant to Section
9 56653 and the initiation of a change of organization or
10 reorganization pursuant to subdivision (a).

11 (k) To make and enforce regulations for the orderly
12 and fair conduct of hearings by the commission.

13 (l) To incur usual and necessary expenses for the
14 accomplishment of its functions.

15 (m) To appoint and assign staff personnel and to
16 employ or contract for professional or consulting services
17 to carry out and effect the functions of the commission.

18 (n) To review the boundaries of the territory involved
19 in any proposal with respect to the definiteness and
20 certainty of those boundaries, the nonconformance of
21 proposed boundaries with lines of assessment or
22 ownership, and other similar matters affecting the
23 proposed boundaries.

24 (o) To waive the restrictions of Section 56109 if it finds
25 that the application of the restrictions would be
26 detrimental to the orderly development of the
27 community and that the area that would be enclosed by
28 the annexation or incorporation is so located that it
29 cannot reasonably be annexed to another city or
30 incorporated as a new city.

31 (p) To waive the application of Section 25210.90 or
32 Section 22613 of the Streets and Highways Code if it finds
33 the application would deprive an area of a service needed
34 to ensure the health, safety, or welfare of the residents of
35 the area and if it finds that the waiver would not affect the
36 ability of a city to provide any service. However, within
37 60 days of the inclusion of the territory within the city, the
38 legislative body may adopt a resolution nullifying the
39 waiver.

1 (q) If the proposal includes the incorporation of a city,
2 as defined in Section 56043, or the formation of a district,
3 as defined in Section 2215 of the Revenue and Taxation
4 Code, the commission shall determine the property tax
5 revenue to be exchanged by the affected local agencies
6 pursuant to Section 56842.

7 (r) To authorize a city or district to provide new or
8 extended services outside its jurisdictional boundaries
9 pursuant to Section 56133.

10 SEC. 3. Section 57080 of the Government Code is
11 amended to read:

12 57080. (a) With respect to a proceeding initiated on
13 or after January 1, 2000, when approved and authorized
14 by the commission pursuant to subdivision (d) of Section
15 56375, the conducting authority shall, not later than 35
16 days after conclusion of the hearing, adopt a resolution
17 ordering the annexation without an election or shall, by
18 resolution, terminate the proceedings. Sections 57050,
19 57051, 57052, subdivision (a) of 57075, and Section 57078
20 do not apply to any annexation subject to this subdivision.

21 (b) With respect to a proceeding initiated on or after
22 January 1, 2007, when approved and authorized by the
23 commission pursuant to subdivision (d) of Section 56375,
24 Sections 57050, 57051, and 57052, shall apply and
25 subdivision (a) of Section 57075 does not apply.

26 (1) If the territory proposed to be annexed is inhabited
27 territory, the conducting authority, not more than 30 days
28 after conclusion of the hearing, shall adopt a resolution
29 making a finding regarding the value of written protests
30 filed and not withdrawn and shall do either of the
31 following:

32 (A) Terminate proceedings if written protests have
33 been filed and not withdrawn by 50 percent or more of
34 the registered voters within the affected territory.

35 (B) Order the territory annexed without an election.

36 (2) If the territory proposed to be annexed is
37 uninhabited, the conducting authority, not more than 30
38 days after conclusion of the hearing, shall adopt a
39 resolution which does either of the following:

40 (A) Terminates proceedings.

1 (B) Orders the territory annexed.
2 SEC. 4. Section 57087.3 of the Government Code is
3 amended to read:
4 57087.3. The merger of a subsidiary district with a city,
5 of which the city council is also the governing board of
6 that subsidiary district, shall not be subject to Sections 99
7 and 99.01 of the Revenue and Taxation Code if the city
8 council adopts a resolution that states that the city shall
9 do all of the following:
10 (a) Continue providing the services of the subsidiary
11 district at the same level to those areas outside the city's
12 boundaries, but within the territory of the subsidiary
13 district, as the services provided for territory within the
14 city limits.
15 (b) Assume all assets of the subsidiary district.
16 (c) Assume all liabilities of the subsidiary district.
17 (d) Assume all ad valorem taxes, other accounts
18 receivable, and other revenues of the subsidiary district.

